

Central Intelligence Agency



Washington, D.C. 20505

Executive Registry

84- 9980

27 November 1984

Dear Ambassador Armstrong:

The enclosed should be of interest to you.

Mr. Cherne has obviously made a difference in the Agency's program on international economics.

Sincerely,



Executive Director

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Enclosure

The Honorable Anne Armstrong
Chairman, President's Foreign Intelligence
Advisory Board
Old Executive Office Building
Washington, D.C. 20500

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20 NOV 1984

MEMORANDUM FOR: Executive Director

VIA : Deputy Director for Intelligence

FROM :
Director of Global Issues

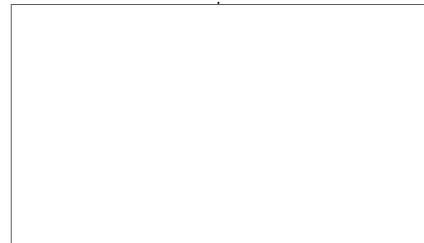
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SUBJECT : The Agency Effort on Third World Debt -- Two Years Later

1. In reading the DI's November issue of the International Financial Situation Report I was reminded once again how far the Agency has progressed in its collection and analytical efforts on the Third World debt crisis. Two years ago at this time we were just getting into high gear to meet policymaker needs for solid, timely analysis of the international financial problems set off by Mexico's declaration that it could not meet its debt repayments. Now, we have a smoothly oiled machine consisting of many parts: collectors in every DO Division; DI analysts in ALA, OEA, EURA, NESA, and OGI; and a good working relationship with the NIO and the key players downtown at Treasury, State, and the NSC.

2. This "machine" is the result of many people's efforts, but in thinking back I believe a key catalyst was PFIAB, particularly in the person of Leo Cherne. Without the Board's initiative and active continued involvement in what the Agency was doing on the debt crisis, I doubt we could have mobilized all the actors so quickly and effectively. Moreover, the relationship we in the DI have built with PFIAB on debt has carried over to other international economic issues and continues to be a force for innovation and useful ideas. In effect, the Board and especially Leo have helped keep us on our toes and have done it in a constructive and supportive way. We in the DI have been remiss in not pointing out PFIAB's role before now, so I thought it was time we put it in the record.

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